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UNCLAS STATE 052315

SIPDIS
SEOUL FOR HEATHER GRELL
ECON

E.O. 12958: N/A
TAGS: ETTC KOMC KS
SUBJECT: BLUE LANTERN LEVEL 3: PRE-LICENSE END-USE CHECK
ON APPLICATION 050102491

REF: BLUE LANTERN GUIDEBOOK 2006

¶1. This is an Action Request. See paragraphs 2-4.

¶2. The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests post's assistance in conducting a pre-license check on application 050102491 for the export of tank components to South Korea. Post is requested to complete this Blue Lantern check within 30 days. Lack of response to a Blue Lantern check will affect pending and future applications involving parties to this license.

¶3. Reason for request: unfamiliar consignee. PM/DTCC has been unable to verify the existence of foreign consignee Sewoon Technology Co., Ltd., which has appeared on only a few previous applications, all of which were submitted recently. Post should make appropriate inquiries to verify the bona fides of Sewoon Technology and confirm the legitimacy of the proposed transaction. The following questions are provided as suggested guidance:

For the South Korean Army:

--Are you familiar with Sewoon Technology Co., Ltd.?

--Did you order from Sewoon Technology the exact type and quantity of items listed on this application?

--For what purpose are the items intended?

--Who will be actually incorporating these items into the K-9 tank?

--Is Sewoon Technology an official supplier/contractor for the South Korean Army/MOD? Does the South Korean Army/MOD have any other contracts with the company?

For Sewoon Technology Co., Ltd.:

--Does the company have proper supporting documentation, including purchase orders from the South Korean Army, for this proposed transaction?

--Will the company be handling or storing the items listed on the application? If so, does it have secure facilities and proper accounting and security procedures for handling these sensitive USML items?

--Who will be actually incorporating these items into the K-9 tank?

--When was the company established and who are its principals?

--What is the nature of its business -- what types of items does it handle, does it serve as a broker?

--What types of organizations are among its typical customers and where are the customers located?

--Does the company understand the restrictions on United States Munitions List (USML) items, especially the prohibition against unauthorized re-transfers and re-exports?

14. Department requests that post conduct a site visit to the company in order to provide Department with an assessment of its business operations and on-site security. If a site visit is not possible, please inform PM/DTCC case officer. Finally, post is asked to assess whether the company appears to be a reliable recipient of USML items. End action.

15. For background, the following details of the license in question are provided:

DTC Case: 050102491

QUANTITY/COMMODITY:

5 Power Module P/N: M1-J20-1Y
10 Power Module P/N: M1-J22-1Y
5 Power Module P/N: M1-J23-1Y

License Value: USD 6,010.00

SELLER:

TNR Enterprises, Inc.
10409 Boswell Lane
Potomac, MD 20854
Company contact: Robert B. Lee, tel.: 301-217-0932

FOREIGN CONSIGNEE:

Sewoon Technology Co., Ltd.
261-1, Bugok-Ri, Jangyu-Myun
Gimhae City, Kyungnam
Korea 621-833
Tel.: 055-312-7620
Fax: 055-312-7622

FOREIGN END-USER:

The Korean Army
139, Sunsa-Ro, Seo-Gu
Daejeon Metropolitan
South Korea

PURPOSE:

The parts would be used for the maintenance and/or overhaul of the fire system controller circuit board assembly of the K-9 self-propelled artillery tank.

16. Submitted in support of the license application were the following documents (PM/DTCC can fax documentation to post upon request):

--End-use statement from Sewoon Technology Co., Ltd., explaining transaction, signed by Lee Ki Sung, undated

--Purchase order no. 8W0800401-001 from Sewoon Technology to TNR Enterprises, Inc., signed by Ki-Sung Lee, dated March 1, 2008

17. Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Judd Stitziel, PM/DTCC, Phone: 202-663-3455; email: StitzielJD@state.gov; SIPRNET: StitzielJD@state.sgov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file in the Bunche Library's Electronic Library collection on the DOS Intranet:
<http://virtuallibrary.state.gov/>

¶8. Department is grateful for post's assistance in this matter.

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